FORTY-NINTH ANNUAL REPORT

OF THE

MISSISSIPPI CENTRAL RAILROAD COMPANY

FOR THE

YEAR ENDED DECEMBER 31, 1956

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MISSISSIPPI CENTRAL RAILROAD COMPANY

FOR THE

YEAR ENDED DECEMBER 31, 1956

DIRECTORS

M. Claire Barrett ..... Scranton, Pa.

L. E. Faulkner ..... Hattiesburg, Miss.

Arthur D. Hemelright ..... Scranton, Pa.

H. L. Jones ..... Middleville, N. J.

E. J. Lynett ..... Scranton, Pa.

C. L. Paul ..... Philadelphia, Pa.

W. J. Rankin ..... North Hills, Pa.

Edward W. Warren ..... Scranton, Pa.

OFFICERS

Arthur D. Hemelright, Chairman of the Board ..... Scranton, Pa.

L. E. Faulkner, President ..... Hattiesburg, Miss.

Edward W. Warren, Vice-President ..... Scranton, Pa.

M. Claire Barrett, Secretary and Treasurer ..... Scranton, Pa.

LeRoy Morris, Traffic Manager ..... Hattiesburg, Miss.

H. O. Hoffman, Superintendent ..... Hattiesburg, Miss.

F. E. Montgomery, Auditor ..... Hattiesburg, Miss.

S. B. Ringgold, Chief Engineer ..... Hattiesburg, Miss.

R. W. Fox, Purchasing Agent ..... Hattiesburg, Miss.

TRANSFER OFFICE

First National Bank Building ..... Scranton, Pa.

REGISTRAR

First National Bank & Trust Company ..... Scranton, Pa.

ANNUAL MEETING

Second Tuesday in February, Hattiesburg, Miss.

To the Stockholders of the Mississippi Central Railroad Company

The following report is submitted for the year 1956.

Freight revenue decreased $92,275 or 3.81% under 1955. Revenue freight handled decreased 20,200 tons or 1.69%. Freight rate and charges increases during the year were 6% interstate, with hold-downs, effective March 7, 6% intrastate, with exceptions, effective November 15, and 5% interterritorially December 28.

Freight rates and charges on interstate movements within Southern Territory were increased 5%, with hold-downs, effective February 23, 1957. Authority is being sought by all but two southern lines to raise the increase to 15%. Request to increase intrastate freight rates and charges is before the State Commission.

Operating expenses increased $56,103 or 3.10% over 1955. Wages and salaries charged operating expenses increased $73,000 over 1955 for slightly less service hours, reflecting the continued advance of wage and salary rates. There was also an increase of $4,100 due to assumption of the entire cost of health and welfare insurance for roadway and mechanical labor. These increases were partly offset by decreases in cost of maintaining buildings, bridges, ties and rails.

There were 294 gross tons of new 80 lb. rails laid in replacement. 32,401 new creosoted cross ties and 30,322 ft. B. M. new creosoted bridge and switch ties were used in repairs. Five hundred gross tons of new 80 lb. rail, on order for delivery in 1956, was not received until December, too late to apply during the year; it is planned to lay the rail in 1957. No new rail is on order at this time.

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Taxes decreased $47,282 or 17.26% under the previous year. Income taxes decreased $60,332. Federal railroad retirement and unemployment taxes increased $14,205, due largely to increase in the unemployment tax rate from ½ of one per cent to 1½ per cent.

Amortization over a five year period of a portion of the cost of emergency facilities resulted in a reduction of 1956 income taxes and an increase in net income of $56,085. This is not a tax savings, it is only a deferment. After the five year period only normal depreciation of the unamortized costs of the facilities will be allowed as an expense deduction for income tax purposes. Under Interstate Commerce Commission accounting rules only normal depreciation was charged on the books.

Hire of freight cars decreased $26,513 or 24.49%. The mileage rate on privately owned tank cars was increased from 3c to 4c per mile, effective November 1st, and the per diem rate on railroad owned cars from $2.40 to $2.75, effective January 1, 1957. These increases will cost us approximately $17,000 a year.

Net income after fixed charges decreased $40,568 or 18.99% under 1955. Eliminating the tax deferments previously mentioned, the net income after fixed charges for 1956 would be $117,010 and $160,399 for 1955.

Dividend of 5½%, amount $60,358, was declared and was paid January 20, 1956 on 109,742 shares of First Preferred Stock.

First mortgage bonds of $28,000 par value were acquired and cancelled through the sinking fund.

Equipment obligations were reduced $179,100. (See Schedule D). Six installments were prepaid on contract covering our diesel-electric locomotives; this because of quick write-off as mentioned above.

Road property additions included a 429 ft. trestle replaced, improvements to outlets of certain pipe lines, two timber dykes in Beaver Creek, loading yards at Eddiceton and Bude, weed sprayer car with tank trailer and motor car, and 530 ft. of industrial and side tracks. Retirements included 2,947 ft. of industrial and side tracks, section foreman's house at Roxie, by fire, and four rail dykes in Middle Fork Creek.

Equipment added, one Buick sedan automobile in replacement, retired official car, buffer car, two work cars and three flat cars.

There were 358 stockholders when the stock book was closed January 15, 1957 (prior to annual meeting). Average number of employees 283.

Mr. Frank E. Hemelright resigned as Chairman of the Board and as a Director in November. Mr. Arthur D. Hemelright was elected a Director and Chairman of the Board in December.

The members of the Mississippi Central family faithfully and efficiently served our patrons during the year, which is appreciated.

Statements of the accounts in the usual detail will be found in tables which follow.

Respectfully submitted.

L. E. FAULKNER,
President

ARTHUR D. HEMELRIGHT,
Chairman of the Board

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TABLE A

MISSISSIPPI CENTRAL RAILROAD COMPANY

STATEMENT OF INCOME

For the Years Ended December 31, 1956 and 1955, and Comparison

	Year Ended December 31 1956	1955	Increase (D) Decrease
Railway Operating Income:			
Railway operating revenues	$2,421,039.83	$2,486,154.43	$D 65,114.60
Railway operating expenses	1,865,701.23	1,809,598.20	56,103.03
Net revenue from railway operations	$ 555,338.60	$ 676,556.23	$D121,217.63
Railway tax accruals (see note)	226,581.27	273,863.49	D 47,282.22
Railway operating income	$ 328,757.33	$ 402,692.74	$D 73,935.41
Rent Income:			
Rent from locomotives	$ 7.43	$ 13.90	$D 6.47
Joint facility rents	332.80	310.19	22.61
Total rent income	$ 340.23	$ 324.09	$ 16.14
Rent Payable:			
Hire of freight cars	$ 81,754.07	$ 108,267.05	$D 26,512.98
Rent for locomotives		48.00	D 48.00
Rent for work equipment	151.50	544.50	D 393.00
Joint facility rents	30,023.02	28,662.57	1,360.45
Total rents payable	$ 111,928.59	$ 137,522.12	$D 25,593.53
Net rents payable	$ 111,588.36	$ 137,198.03	$D 25,609.67
Net Railway Operating Income	$ 217,168.97	$ 265,494.71	$D 48,325.74
Other Income:			
Miscellaneous rent income	$ 5,082.43	$ 3,424.30	$ 1,658.13
Income from nonoperating property	1,251.68	2,653.76	D 1,402.08
Interest income	2,642.19	2,372.30	269.89
Miscellaneous income	6,052.80	7,291.05	D 1,238.25
Total other income	$ 15,029.10	$ 15,741.41	$D 712.31
Total Income	$ 232,198.07	$ 281,236.12	$D 49,038.05
Miscellaneous Deductions from Income:			
Miscellaneous rents	$ 201.00	$ 76.00	$ 125.00
Miscellaneous tax accruals	346.37	297.90	48.47
Miscellaneous income charges	970.91	940.20	30.71
Total miscellaneous deductions	$ 1,518.28	$ 1,314.10	$ 204.18
Income Available for Fixed Charges	$ 230,679.79	$ 279,922.02	$D 49,242.23
Fixed Charges—Interest on funded debt	57,584.77	66,259.48	D 8,674.71
Net Income After Fixed Charges	$ 173,095.02	$ 213,662.54	$D 40,567.52
Income Applied to Sinking Fund	25,447.65	26,785.96	D 1,338.31
Balance of Income Transferred to Earned Surplus-Unappropriated	$ 147,647.37	$ 186,876.58	$D 39,229.21

NOTE: The provision for taxes on income has been reduced and net income increased in the amount of $56,085 and $53,264 for the years 1956 and 1955, respectively, by the recognition of accelerated amortization of defense facilities for tax purposes in advance of the periods in which corresponding amounts of depreciation will be recorded in the accounts.

TABLE B

MISSISSIPPI CENTRAL RAILROAD COMPANY

Balance Sheet, December 31, 1956 and 1955, and Comparison

ASSETS	December 31 1956	1955	Increase (D) Decrease
Investments:			
Road property	$ 8,213,386.59	$ 8,167,805.60	$ 45,580.99
Equipment property	1,842,842.49	1,858,335.37	D 15,492.88
Total road and equipment property	$10,056,229.08	$10,026,140.97	$ 30,088.11
Less—Donations and grants	44,630.46	43,396.31	1,234.15
Investment in transportation property	$10,011,598.62	$ 9,982,744.66	$ 28,853.96
Less—Accrued depreciation:			
Road	$ 252,285.08	$ 230,562.90	$ 21,722.18
Equipment	398,652.03	348,111.07	50,540.96
Total accrued depreciation	$ 650,937.11	$ 578,673.97	$ 72,263.14
Investment in transportation property, less recorded depreciation	$ 9,360,661.51	$ 9,404,070.69	$D 43,409.18
Sinking fund	729.79	1,943.83	D 1,214.04
Miscellaneous physical property	15,781.81	15,680.31	101.50
Total investments	$ 9,377,173.11	$ 9,421,694.83	$D 44,521.72
Current Assets:			
Cash	$ 358,702.34	$ 508,545.12	$D149,842.78
Temporary cash investments (United States Government securities)	99,865.49	99,883.30	D 17.81
Traffic and car-service balances	Dr. 7,803.80	Cr. 8,009.78	15,813.58
Net balance receivable from agents	17,041.52	45,750.72	D 28,709.20
Miscellaneous accounts receivable	13,993.71	17,599.14	D 3,605.43
Material and supplies	306,052.35	218,945.74	87,106.61
Accrued accounts receivable	800.00		800.00
Other current assets	39.86	208.94	D 169.08
Total current assets	$ 804,299.07	$ 882,923.18	$D 78,624.11
Deferred Assets:			
Working fund advances	$ 1,390.00	$ 919.83	$ 470.17
Other deferred assets	1,608.50		1,608.50
Total deferred assets	$ 2,998.50	$ 919.83	$ 2,078.67
Unadjusted Debits:			
Prepayments	$ 13,200.14	$ 11,346.97	$ 1,853.17
Other unadjusted debits	774.26	4,970.77	D 4,196.51
Total unadjusted debits	$ 13,974.40	$ 16,317.74	$D 2,343.34
Total	$10,198,445.08	$10,321,855.58	$D123,410.50

TABLE B—(Continued)

MISSISSIPPI CENTRAL RAILROAD COMPANY

Balance Sheet, December 31, 1956 and 1955, and Comparison

LIABILITIES	December 31 1956	1955	Increase (D) Decrease
Capital Stock:			
First preferred, non-cumulative 5½% of a par value of $10 each—authorized, 111,210 shares; outstanding, 109,742 shares	$ 1,097,420.00	$ 1,097,420.00	
Common—authorized and outstanding, 39,400 shares of a par value of $100 each	3,940,000.00	3,940,000.00	
Total capital stock	$ 5,037,420.00	$ 5,037.420.00	
Long-Term Debt:			
First mortgage 4% bonds, due April 1, 1978	$ 771,000.00	$ 799,000.00	$D 28,000.00
Equipment obligations (includes $131,400 maturing in 1957)	520,809.18	699,909.18	D179,100.00
Total long-term debt	$ 1,291,809.18	$ 1,498,909.18	$D207,100.00
Current Liabilities:			
Audited accounts and wages payable	$ 148,071.70	$ 74,091.14	$ 73,980.56
Miscellaneous accounts payable	8,289.09	10,873.43	D 2,584.34
Unmatured interest accrued	7,710.00	7,990.00	D 280.00
Accrued accounts payable	47,073.56	53,416.37	D 6,342.81
Taxes accrued	69,970.39	127,653.83	D 57,683.44
Other current liabilities	11,939.28	48,760.95	D 36,821.67
Total current liabilities	$ 293,054.02	$ 322,785.72	$D 29,731.70
Deferred Liabilities—Other	$ 9,673.22	$ 8,259.55	$ 1,413.67
Unadjusted Credits—Other	$ 2,009.05	$ 1,938.70	$ 70.35
Surplus:			
Unearned surplus	$ 5,040.18	$ 4,165.83	$ 874.35
Earned surplus—appropriated—sinking fund reserve	26,177.44	26,929.79	D 752.35
Earned surplus—unappropriated	3,533,261.99	3,421,446.81	111,815.18
Total surplus	$ 3,564,479.61	$ 3,452,542.43	$ 111,937.18
Total	$10,198,445.08	$10,321,855.58	$D123,410.50

TABLE C

MISSISSIPPI CENTRAL RAILROAD COMPANY

STATEMENT OF EARNED SURPLUS—UNAPPROPRIATED
For the Years Ended December 31, 1956 and 1955, and Comparison

	Year Ended December 31		Increase
	1956	1955	(D) Decrease
Credit Balance at Beginning of Year	$3,421,446.81	$3,264,032.50	$ 157,414.31
Credits:			
Credit balance transferred from income	$ 147,647.37	$ 186,876.58	$D 39,229.21
Release of appropriated surplus for funded debt retired through sinking fund	26,200.00	29,000.00	D 2,800.00
Other miscellaneous credits	788.08	1,895.83	D 1,107.75
Total credits	$ 174,635.45	$ 217,772.41	$D 43,136.96
Total	$3,596,082.26	$3,481,804.91	$ 114,277.35
Debits:			
Dividend appropriation of surplus—5½% on first preferred capital stock	$ 60,358.10	$ 60,358.10	
Other miscellaneous debits	2,462.17		$ 2,462.17
Total debits	$ 62,820.27	$ 60,358.10	$ 2,462.17
Credit Balance at End of Year	$3,533,261.99	$3,421,446.81	$ 111,815.18

HASKINS & SELLS

Certified Public Accountants — 67 Broad Street, New York 4

ACCOUNTANTS' CERTIFICATE

Mississippi Central Railroad Company:

We have examined the balance sheet of Mississippi Central Railroad Company as of December 31, 1956 and the related statements of income and of earned surplus—unappropriated for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying balance sheet and statements of income and of earned surplus—unappropriated present fairly the financial position of the Company at December 31, 1956 and the results of its operations for the year then ended, in conformity with principles of accounting prescribed or authorized by the Interstate Commerce Commission.

HASKINS & SELLS

February 13, 1957.

TABLE D

Statement of Long Term Debt

Obligation and Date	Date of Maturity	Original Amount	Paid in 1956	Outstanding Dec. 31, 1956	Interest for the Year 1956		
					Rate	Accrued	Payable
First Mortgage Bonds April 1, 1948	April 1, 1978	$1,000,000.00	$ 28,000.00	$ 771,000.00	4%	$31,120.00	April and October
Equipment Obligations—Conditional Purchase Contracts:	Monthly to						
Box Cars April 5, 1949	April 1, 1959 (1)	348,950.00	36,000.00	75,609.18 (2)	3%	2,853.25	Monthly
Diesel-Electric Locomotives April 1, 1953	June 1, 1963 (1)	954,000.00	143,100.00	445,200.00 (3)	4½%	23,611.52	Monthly
	Totals	$2,302,950.00	$207,100.00	$1,291,809.18		$57,584.77	

(1) Prepayments may discharge obligations before maturity.

(2) Payable $3,000.00 Monthly.

(3) Payable $7,950.00 Monthly. $47,700.00 Prepaid in 1956.

TABLE E

Investment in Road and Equipment

Changes during the year ended with December 31, 1956

	Additions	Retirements	Net Change
Road			
Engineering	$ 127.12	$ 209.73	$— 82.61
Grading	6,572.97	2,573.84	3,999.13
Bridges, Trestles and Culverts	34,924.32	8,598.78	26,325.54
Ties	1,799.60	2,016.06	— 216.46
Rails	1,164.40	1,616.06	— 451.66
Other Track Material	4,662.10	2,662.67	1,999.43
Ballast	155.86	179.95	— 24.09
Track Laying and Surfacing	1,027.71	1,566.37	— 538.66
Station and Office Buildings	7,957.19	74.41	7,882.78
Roadway Buildings	1,356.28	1,981.91	— 625.63
Shops and Enginehouses	2,027.63	685.00	1,342.63
Roadway Machines	6,654.49	516.99	6,137.50
Interest During Construction	—	141.28	— 141.28
Other Expenditures—General	—	25.63	— 25.63
	$ 68,429.67	$ 22,848.68	$ 45,580.99
Equipment			
Freight Train Cars	$ —	$ 3,255.00	$— 3,255.00
Work Equipment	—	13,196.01	—13,196.01
Miscellaneous Equipment	4,929.25	3,971.12	958.13
	$ 4,929.25	$ 20,422.13	$—15,492.88
Total Road and Equipment Changes	$ 73,358.92	$ 43,270.81	$ 30,088.11

TABLE F

Comparative Statement of Operating Revenues, Operating Expenses, and Net Operating Revenues for the Years Ending December 31, 1956 and December 31, 1955

OPERATING REVENUES

	1956	Per Cent Earnings	1955	Per Cent Earnings
Freight	$2,329,226.55	96.21	$2,421,501.92	97.40
Passenger	—16.35	—	—275.51	— 0.01
Miscellaneous	91,829.63	3.79	64,928.02	2.61
Totals	$2,421,039.83	100.00	$2,486,154.43	100.00

OPERATING EXPENSES

	1956	Per Cent Earnings	1955	Per Cent Earnings
Maintenance of Way and Structures	$ 610,457.56	25.21	$ 609,569.06	24.52
Maintenance of Equipment	327,462.76	13.53	317,475.70	12.77
Traffic	180,089.51	7.44	171,802.27	6.91
Transportation	625,719.12	25.84	589,317.80	23.70
General	121,972.28	5.04	121,433.37	4.89
Totals	$1,865,701.23	77.06	$1,809,598.20	72.79
Net revenue from railway operations	$ 555,338.60		$ 676,556.23	

TABLE G

Comparative Statement of Operating Expenses for Years Ending December 31, 1956 and 1955

	1956	1955
Maintenance of Way and Structures		
Superintendence	$ 36,975.31	$ 34,791.39
Roadway Maintenance	101,481.02	95,429.33
Bridges, Trestles and Culverts	37,327.18	46,155.34
Ties	102,413.25	115,557.43
Rails	10,543.89	22,645.08
Other Track Material	23,147.83	19,301.35
Ballast	2,215.97	3,054.41
Track Laying and Surfacing	181,419.39	161,345.02
Fences and Signs	6,551.92	3,842.94
Station and Office Buildings	6,790.75	10,449.83
Roadway Buildings	940.84	243.60
Fuel Stations	419.63	139.56
Shops and Enginehouses	6,186.66	14,956.27
Communication Systems	7,489.93	6,159.45
Signals and Interlockers	2,114.42	1,354.25
Power—Transmission Systems	22.00	134.50
Road Property—Depreciation	27,027.08	26,750.07
Retirements—Road	5,553.63	402.57
Roadway Machines	3,607.18	2,805.46
Dismantling Retired Road Property	2,736.20	2,341.45
Small Tools and Supplies	5,978.16	6,320.10
Public Improvements—Maintenance	4,691.29	3,499.29
Injuries to Persons	3,056.07	2,120.98
Insurance	1,192.37	1,231.69
Stationery and Printing	585.65	564.83
Other Expenses	6,818.35	2,024.91
Maint'g joint tracks, yards and other facilities—Dr.	23,208.37	26,581.39
Maint'g joint tracks, yards and other facilities—Cr.	36.78	633.43
Total	$610,457.56	$609,569.06
Maintenance of Equipment		
Superintendence	$ 21,886.45	$ 21,185.64
Shop Machinery	4,801.76	2,851.66
Power Plant Machinery	1,032.20	1,142.41
Shop and Power Plant Machinery—Depreciation	2,910.24	2,910.24
Other Locomotives—Repairs	66,163.62	65,042.03
Freight Train Cars—Repairs	134,470.17	133,568.28
Work Equipment—Repairs	7,711.97	3,948.60
Miscellaneous Equipment—Repairs	476.21	636.90
Dismantling Retired Equipment	435.14	482.88
Equipment—Depreciation	65,642.15	66,879.36
Injuries to Persons	466.26	496.01
Insurance	5,476.15	4,927.19
Stationery and Printing	750.19	682.74
Other Expenses	3,275.33	1,693.16
Joint Maintenance of Equipment Expenses—Dr.	11,964.92	11,028.60
Total	$327,462.76	$317,475.70
Traffic		
Superintendence	$ 70,938.45	$ 68,265.24
Outside Agencies	90,690.36	87,750.08
Advertising	1,727.32	1,642.34
Traffic Associations	2,738.52	2,433.16
Insurance	123.35	105.52
Stationery and Printing	13,871.51	11,605.93
Total	$180,089.51	$171,802.27

TABLE G—Continued

	1956	1955
Transportation		
Superintendence	$ 41,416.51	$ 39,360.10
Dispatching Trains	13,564.21	13,280.62
Station Employees	91,402.73	86,517.87
Weighing and Inspection Bureaus	744.94	758.88
Station Supplies and Expenses	4,030.27	4,106.82
Yard Masters and Yard Clerks	9,271.27	8,505.87
Yard Conductors and Brakemen	38,562.26	27,029.01
Yard Enginemen	23,867.06	18,732.53
Yard Switching Fuel	4,160.35	3,647.20
Water for Yard Locomotives	48.63	27.47
Lubricants for Yard Locomotives	208.62	241.50
Other Supplies for Yard Locomotives	101.58	106.67
Enginehouse Expenses—Yard	7,867.76	6,365.28
Yard Supplies and Expenses	568.21	407.29
Operating Joint Yards and Terminals—Dr.	49,137.84	44,602.33
Train Enginemen	68,681.16	67,561.87
Train Fuel	58,367.54	56,329.95
Water for Train Locomotives	137.90	156.16
Lubricants for Train Locomotives	3,015.35	3,597.26
Other Supplies for Train Locomotives	386.57	506.64
Enginehouse Expenses—Train	20,210.12	21,061.22
Trainmen	92,452.44	88,437.44
Train Supplies and Expenses	19,696.14	18,121.91
Crossing Protection	173.64	165.29
Stationery and Printing	5,627.80	5,390.39
Other Expenses	60.00	296.61
Operating Joint Tracks and Facilities—Dr.	55,981.85	49,971.96
Operating Joint Tracks and Facilities—Cr.	4,586.63	4,349.37
Insurance	4,866.41	4,754.48
Clearing Wrecks	2,873.07	8,197.81
Damage to Property	308.47	499.70
Damage to Live Stock on Right-of-Way	3,488.53	3,479.20
Loss and Damage—Freight	6,363.67	5,517.45
Injuries to Persons	2,662.85	5.932.39
Total	$625,719.12	$589,317.80
General		
Salaries and Expenses of General Officers	$ 17,209.04	$ 16,875.53
Salaries and Expenses of Clerks and Attendants	82,771.55	81,265.86
General Office Supplies and Expenses	3,762.71	3,240.92
Law Expenses	4,870.61	9,772.10
Insurance	196.90	237.78
Pensions and Gratuities	804.80	180.86
Stationery and Printing	4,596.56	4,340.51
Other Expenses	7,309.28	6,506.10
General Joint Facilities—Dr.	450.83	Cr. 986.29
Total	$121,972.28	$121,433.37
Recapitulation		
Maintenance of Way and Structures	$ 610,457.56	$ 609,569.06
Maintenance of Equipment	327,462.76	317,475.70
Traffic	180,089.51	171,802.27
Transportation	625,719.12	589,317.80
General	121.972.28	121.433.37
Total	$1,865,701.23	$1,809,598.20

TABLE H

Operating Revenues and Operating Expenses by Months for Year Ended December 31, 1956

Operating Revenues	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Totals
Freight	$209,116	$198,240	$210,068	$195,503	$186,689	$189,370	$184,120	$193,470	$175,689	$213,963	$192,799	$180,200	$2,329,227
Switching	7,203	5,757	8,242	8,115	8,654	7,774	6,471	7,073	6,863	7,572	7,514	5,668	86,906
Miscellaneous	497	413	363	303	477	465	405	448	377	416	262	481	4,907
Totals	$216,816	$204,410	$218,673	$203,921	$195,820	$197,609	$190,996	$200,991	$182,929	$221,951	$200,575	$186,349	$2,421,040
Operating Expenses													
Maintenance of Way and Structures	$ 46,721	$ 65,131	$ 61,979	$ 52,164	$ 51,677	$ 53,342	$ 47,622	$ 45,889	$ 42,123	$ 46,054	$ 47,499	$ 50,257	$ 610,458
Maintenance of Equipment	28,271	24,945	27,594	26,629	29,182	26,378	29,494	28,162	24,890	27,393	28,793	25,731	327,462
Traffic	14,831	14,976	15,130	14,472	15,665	15,094	15,104	14,791	15,002	15,731	14,146	15,147	180,089
Transportation	55,692	50,266	53,579	51,762	52,451	49,908	52,030	54,832	51,970	50,670	49,151	53,408	625,719
General	10,764	12,079	10,723	9,857	9,999	9,764	9,664	9,638	9,917	10,297	9,811	9,460	121,973
Totals	$156,279	$167,397	$169,005	$154,884	$158,974	$154,486	$153,914	$153,312	$143,902	$150,145	$149,400	$154,003	$1,865,701
Net Revenue from Railway Operations	$ 60,537	$ 37,013	$ 49,668	$ 49,037	$ 36,846	$ 43,123	$ 37,082	$ 47,679	$ 39,027	$ 71,806	$ 51,175	$ 32,346	$ 555,339
Ratio of Expenses to Revenues—Per Cent	72.08	81.89	77.29	75.95	81.18	78.18	80.58	76.28	78.67	67.65	74.49	82.64	77.06

TABLE I

Traffic and Mileage Statistics

Years Ended December 31, 1956 and 1955

	1956	1955
Passenger Traffic*	**None**	**None**
Freight Traffic		
Miles of road operated—average	148.38	148.38
Freight revenue	$2,329,226.55	$2,421,501.92
Revenue tons carried	1,175,183	1,195,383
Revenue ton-miles	118,560,310	120,548,453
Freight train-miles, ordinary	150,019	149,242
Freight car-miles, loads	3,414,172	3,579,858
Freight car-miles, empties	1,476,552	1,626,849
Revenue per ton	$ 1.98	$ 2.03
Revenue per ton-mile, cents	1.96	2.01
Revenue per train-mile	$ 15.53	$ 16.23
Freight revenue per mile of road operated	$ 15,697.71	$ 16,319.60
Average haul per revenue ton-mile	100.89	100.85
Ton-miles (non-revenue included) per train-mile	796	813
Ton-miles (non-revenue included) per loaded car-mile	34.98	33.88
Revenue ton-miles per mile of road operated	799,032	812,431
Loaded car-miles per train-mile	22.76	23.99
Empty car-miles per train-mile	9.84	10.90
Total car-miles per train-mile	32.60	34.89
Operating revenues per mile of road operated	$ 16,316.48	$ 16,755.32
Operating expenses per mile of road operated	$ 12,573.80	$ 12,195.70
Net operating revenue per mile of road operated	$ 3,742.68	$ 4,559.62

* Passenger traffic ended with June 1946

TABLE J

Comparative Statement of Classified Tonnage for the Years Ended December 31, 1956 and 1955

	1956		1955	
	Tons	Per Cent of Total	Tons	Per Cent of Total
Products of Agriculture:				
Flour	4,530	.39	4,518	.37
Cotton and cotton linters	16,092	1.37	14,535	1.22
Other products of agriculture	6,124	.52	8,357	.70
Totals	26,746	2.28	27,410	2.29
Animals and Products—Total	276	.02	348	.03
Products of Mines:				
Clay and bentonite	25,245	2.15	24,839	2.08
Gravel, sand and broken stone	38,083	3.24	33,229	2.78
Asphalt	6,173	.53	7,858	.66
Salt	5,779	.49	7,199	.60
Aluminum ore	16,334	1.39	-	-
Sulphur	26,435	2.25	26,355	2.20
Other products of mines	41,396	3.52	62,125	5.20
Totals	159,445	13.57	161,605	13.52
Products of Forests:				
Lumber, logs, ties, piling, etc.	74,752	6.36	67,365	5.64
Pulpwood	162,308	13.81	154,937	12.96
Rosin and turpentine	10,527	.90	14,974	1.25
Other products of forests	17,682	1.50	21,529	1.80
Totals	265,269	22.57	258,805	21.65
Manufactures and Miscellaneous:				
Oils, N.O.S.	5,722	.49	5,882	.49
Petroleum products	81,115	6.90	98,819	8.27
Rubber	9,578	.82	11,705	.98
Sodium products	26,846	2.28	27,819	2.33
Fertilizers	93,481	7.95	38,105	3.19
Tar, pitch and creosote	8,374	.71	4,778	.40
Nails and wire	6,230	.53	6,527	.55
Manufactured iron and steel	27,346	2.33	22,522	1.88
Iron and steel pipe and fittings	14,895	1.27	41,840	3.50
Lead and zinc, bar, ingot and pig	8,962	.76	820	.07
Chemicals, N.O.S.	18,822	1.60	81,219	6.79
Ammunition and explosives	6,934	.59	11,793	.99
Cement, brick, lime and plaster	49,608	4.22	50,804	4.25
Paper and paper articles	20,021	1.70	18,133	1.52
Paper—, fibre— and pulpboard	60,944	5.19	41,656	3.48
Wallboard	91,205	7.76	106,038	8.87
Woodpulp	38,302	3.26	36,611	3.06
Food products in cans and packages	11,914	1.01	9,403	.79
Feed, animal and poultry, N.O.S.	20,869	1.78	17,003	1.42
Scrap iron and scrap steel	32,559	2.77	16,592	1.39
Other manufactures	89.287	7.60	98.521	8.24
Totals	723.014	61.52	746.590	62.46
Total carload traffic	1,174,750	99.96	1,194,758	99.95
Merchandise—All L.C.L. traffic	433	.04	625	.05
Grand Totals	1,175,183	100.00	1,195,383	100.00

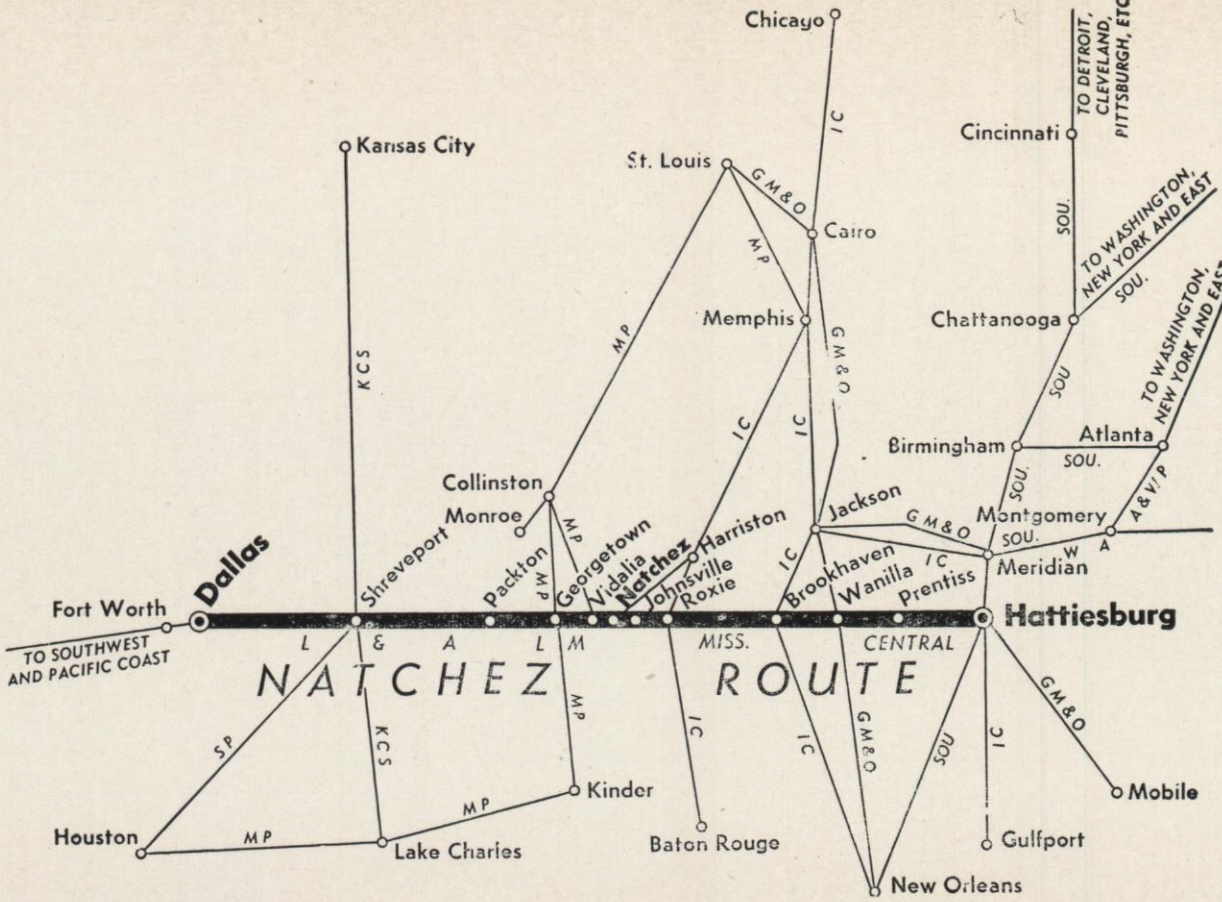
TABLE K

Inventory of Equipment December 31, 1955 and 1956

	Total Dec. 31, 1955	Added or reclassified	Retired	Total Dec. 31, 1956
Locomotives:				
Freight, diesel-electric	10			10
Freight Train Cars:				
Box cars	98			98
Flat cars	11		3	8
Gondola cars	13			13
Log cars	9			9
Rack cars	120			120
Caboose cars	9			9
Totals	260		3	257
Company Service Equipment:				
Camp and other work cars	23		3	20
Steel dump cars	2			2
Tank cars	2			2
Steam ditchers	2			2
Cranes	1			1
Business car	1		1	0
Other service equipment	4	1	1	4
Totals	35	1	5	31

Mileage operated at close of year

Hattiesburg, Miss. to Natchez, Miss., Main track	148.38 Miles
Yard tracks and sidings—Owned	34.05 Miles
Yard tracks and sidings—Joint	0.89 Miles


Chicago
Kansas City
St. Louis
Cincinnati
TO DETROIT, CLEVELAND, PITTSBURGH, ETC.
IC
GM&O
Cairo
SOU.
TO WASHINGTON, NEW YORK AND EAST
MP
Memphis
Chattanooga
KCS
GM&O
IC
IC
SOU
TO WASHINGTON, NEW YORK AND EAST
Birmingham
Atlanta
SOU.
Collinston
Monroe
Jackson
Montgomery
A&V/P
SOU.
SOU.
Shreveport
Dallas
Packton
Georgetown
Vidalia
Natchez
Harriston
Johnsville
Roxie
Brookhaven
Wanilla
Prentiss
Meridian
W
A
Fort Worth
TO SOUTHWEST AND PACIFIC COAST
L & A L M
MISS. CENTRAL
Hattiesburg
NATCHEZ ROUTE
SP
KCS
MP
Kinder
GM&O
Mobile
Houston
Lake Charles
Baton Rouge
New Orleans
Gulfport